

California Gambling Control Commission
2399 GATEWAY OAKS DRIVE, SUITE 220
SACRAMENTO, CA 95833
(916) 263-0700 FAX (916) 263-0499
www.cgcc.ca.gov

**MINUTES OF APRIL 28, 2011
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairperson Stephanie Shimazu called the meeting to order at 10:01 a.m., and asked everyone to stand for the Pledge of Allegiance.

2. Roll Call of Commissioners.

Roll Call of Commissioners was taken, with Chairperson Stephanie Shimazu and Commissioners Tiffany Conklin and Lauren Hammond present.

3. Approval of Commission Meeting Minutes for :
March 24, 2011

Upon motion of Chairperson Shimazu, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Hammond voting yes, the Commission approved the meeting minutes for March 24, 2011.

Due to the travel delay of the interested parties attending specifically for, item 4, it was moved to be heard after item 11.

5. Applications for Approval of Renewal of State Gambling License (Pursuant to Business and Professions Code section 19876):
 - A. Diamond Jim's Casino: Wizard Gaming, Inc.*

Deputy Director Tina Littleton indicated that staff recommended the Commission extend the renewal application through August 31, 2011 and continue with the existing conditions as follows:

Diamond Jim's Casino

Wizard Gaming, Inc. shall provide the Commission with a report regarding its efforts to resolve all outstanding disputes among the licensees and demonstrates a plan of action to operate Diamond Jim's in a manner which complies with the Gambling Control Act.

Condition's on George Hardie, Jr.'s Endorsement

Mr. Hardie Jr. will have no significant input, influence, or control over any aspect of the business or affairs of the gambling establishment including, but not limited to, the following:

- 1. Mr. Hardie, Jr. shall not review documents relating to the gambling establishment and its operations.*
- 2. Mr. Hardie, Jr. shall have no input on contracts relating to the gambling establishment.*
- 3. Mr. Hardie, Jr. shall not make or have input on personnel decisions relating to the gambling establishment.*
- 4. Mr. Hardie, Jr. shall not have input on the termination or appointment of Wizard Gaming, Inc.'s directors or officers.*

Notwithstanding anything to the contrary in the conditions of March 26, 2009, and, consistent with the condition imposed on January 27, 2011, provided that Mr. Hardie, Jr. will not have any direct input or involvement in the management of Wizard Gaming, Inc. ("Wizard"), Mr. Hardie, Jr. is not prohibited by these conditions from discussing with Trustee of the Zephyr Inter Vivos Trust (Trust), Joseph Etienne ("Mr. Etienne"), issues necessary to the representation of the Trust and/or Mr. Hardie Jr.'s interest in mediation arising out of a dispute involving Wizard.

Mr. Steve Blackman representing Wizard Gaming, Inc. indicated that he supported the staff recommendation to extend until August 31, 2011. Mr. Blackman further indicated they have settled on Judge Altman for the mediation set for June 29 and June 30, 2011 and all parties are in agreement.

Mr. Harlan Goodson representing Zephyr Inter Vivos Trust; George Hardie, Jr. Beneficiary, George Deitch, Co-Trustee, Joseph Etienne, Co-Trustee, indicated that they also supported the staff recommendation to extend.

Upon motion of Chairperson Shimazu, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Hammond voting yes, the Commission approved the staff recommendation.

B. Hotel Del Rio & Casino: Hand Family Trust
Charline Hand, Trustee
Ralph Hand, Trustee

Deputy Director Tina Littleton indicated that staff recommended that the Commission approve the renewal application for the licensure period of May 1, 2011 through April 30, 2013.

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Hammond voting yes, the Commission approved the staff recommendation.

Commission Meeting Minutes of April 28, 2011

6. Request for Approval to Remove Condition(s) from State Gambling License (Pursuant to Business and Professions Code section 19824(b)):
Central Coast Casino – Paso Robles: David Stearns, Sole Proprietor

Deputy Director Tina Littleton indicated that staff recommended the Commission remove the existing following condition:

David Stearns must provide, within thirty (30) days of this approval, written confirmation to the Bureau and Commission confirming that the pending county tax lien has been satisfied.

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Hammond voting yes, the Commission approved the staff recommendation.

7. Application for Approval of Initial Key Employee Portable Personal License (Pursuant to Business and Professions Code section 19854):
Casey McCoy

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended the Commission approve the initial application. Staff has reviewed the Bureau's report, concurred with their recommendation, and recommended approval through May 31, 2012 with the following condition:

Beginning June 1, 2011 and every 180 days thereafter, Mr. McCoy must submit to the Commission and the Bureau a written update concerning the issue of the outstanding delinquent credit account currently in collections.

Chairperson Shimazu stated that the condition was not necessary in this instance due to the noticeably small remaining balance.

Chairperson Shimazu moved to approve the staff recommendation without the condition. The motion was seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Hammond voting yes.

8. Applications for Approval of Conversion of Third-Party Providers of Proposition Player Services /Gambling Business Supervisor/Player Registrations to Licenses (Pursuant to CCR, Title 4, sections 12218 and 12233):

A. Banc, LLC:

Supervisor: Darren Lancaster

B. CB Certified Banker, Inc.:

Player: James Vann

C. Certified Network M, Inc.:

Players:	Darrell Dillard	Anoushavan Ghanbari	Phirun Kouv
	Boi Lam	Manila Long	Tony Mui

D. Gaming Management, LLC:

Players:	Sky Cooper	Sahr Gborie	Catherina Hamlett
	Jessica Lopez		

Commission Meeting Minutes of April 28, 2011

Deputy Director Tina Littleton indicated that the Bureau of Gambling Control recommended the Commission approve the conversion applications in items 8A through 8D. Staff has reviewed the Bureau's reports, concurred with their recommendations; and, recommended approval through April 30, 2013.

Upon motion of Chairperson Shimazu, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Hammond voting yes, the Commission approved the staff recommendation for items 8A through 8D.

9. Application for Approval of Initial Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.5):
Acres Bonusing, Inc.: James Acres, President, Secretary, Treasurer, Director,
Shareholder

Deputy Director Tina Littleton indicated the Bureau of Gambling Control recommended the Commission approve the Finding of Suitability application. Staff has reviewed the Bureau's report, concurred with their recommendation; and, recommended approval through April 30, 2013.

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Hammond voting yes, the Commission approved the staff recommendation.

10. Applications for Approval of Renewal of Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.5):
A. IGT: *
B. NRT Technology Corporation: *

Deputy Director Tina Littleton indicated that staff recommended the Commission approve the renewal applications for items 10A and 10B through April 30, 2013.

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Hammond voting yes, the Commission approved the staff recommendation.

11. Application for Tribal-State Compact Gaming Resource Supplier Finding of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.5; Business and Professions Code sections 19824 & 19825; and, CCR, Title 4, section 12050):
Stipulated Settlement, Decision and Order:
In the Matter of the Statement of Issues against Kevin Freels and New Gaming Systems, Inc.
(OAH Case No. 2009090804, BGC Case No. DGC015001)

Commission Meeting Minutes of April 28, 2011

Chairperson Shimazu clarified that the Commission was being asked to approve the Stipulated Settlement that was presented at another meeting.

Mr. John Panneton representing Kevin Freels and New Gaming Systems, Inc. indicated that he was available for questions.

Deputy Attorney General Jennifer Henderson indicated she was representing Deputy Attorney General Michelle Laird.

Chief Counsel Joe Dhillon indicated the Commission had some questions when they last considered this Stipulation Settlement with regards to the payment and that the Attorney General's Office has provided to all parties information to substantiate the payment. Mr. Dhillon further indicated that the Commissioners were concerned about some of the language.

Chairperson Shimazu stated she wanted to clarify that this language stated it was for four years and a renewal for two years. She wanted to clarify that the conditions would stay on for four years and there would be a renewal after two years and assuming they get through four years, the conditions would then be removed.

Mr. Panneton stated that was his understanding.

At this time Chairperson Shimazu requested they hear item 4.

4. Application for Approval of A) Purchase Agreement; B) Initial State Gambling License; and, C) Articles of Incorporation (Pursuant to Business and Professions Code section 19824(c), 19852(a), 19881, Title 4 CCR 12340:

A. Club Caribe: S&S Gaming, Inc. (Seller)
 Pocket 3's Gaming, Inc. (Buyer)

B. Club Caribe: Pocket 3's Gaming, Inc.
 Brian Altizer, Shareholder

C. Club Caribe: Pocket 3's Gaming, Inc.

Deputy Director Tina Littleton clarified the order and recommendation for each item under consideration. First, item A; staff recommended the Commission approve the Purchase Agreement submitted by Pocket 3's Gaming, Inc. to purchase the assets of Club Caribe Casino from S&S Gaming, Inc. via Game Source, LLC.

Second, item B; the Bureau of Gambling Control recommended the Commission approve the initial license application. Staff concurred with their recommendation, and recommended approval through April 30, 2013 with the following conditions:

1. *Pocket 3's Gaming, Inc. shall not operate Club Caribe until the following:*
 - a) *Proof of a business license has been submitted to the Commission*
 - b) *Game Source, LLC and its members submit Applications for State gambling License to the Commission.*

Commission Meeting Minutes of April 28, 2011

2. *Within 60 days of beginning operation, Pocket 3's Gaming, Inc. shall provide to the Commission and the Bureau the following:*
 - a) *Patron Security and Safety Plan*
 - b) *Emergency Preparedness and Evacuation Plan*
 - c) *Chart of Accounts*
 - d) *Amended Articles of Incorporation filed with the Secretary of State*

Third, item C: staff recommended the Commission approve the Amended Articles of Incorporation.

Mr. Thomas Francis, Attorney for S&S Gaming, Inc., indicated they are waiting for the Commission to approve and they are ready to go forward with the sale of the casino.

Mr. Cy Rickards representing Brian Altizer and Pocket 3's Gaming, Inc., indicated they were there to urge the Commission to approve staff's recommendation on all three items.

Mr. Francisco Leal, Special Counsel for the City of Cudahy, requested that the Commission not approve all three items. Mr. Leal indicated the Cudahy City Council asked him to convey the importance of this license as a valuable resource to the city. Mr. Leal further indicated that the prior operator, S&S Gaming, didn't fulfill its commitments and did not have sufficient financial resources to ensure success. Mr. Leal acknowledged the Order by the Bureau of Gambling Control which required S&S Gaming to divest themselves from the City of Cudahy's gaming license within one year. Mr. Leal stated that they are cognizant of the requirement that the Commission approve the state license for the operation of a cardroom within the City of Cudahy by May 12, 2011 and if no action is taken, the license will be revoked or deemed expired. Mr. Leal further indicated that within the time of the Order, the City of Cudahy accepted two applications. The city council analyzed both applications and through the public hearing process, they granted the city license to the Commerce Casino.

Commissioner Conklin stated that if the Commission denied the three items, it would result in a dead license. Commissioner Conklin further commented that if the city had granted the license to Commerce Casino because of the number of tables and the revenue that could be generated for the city, why would the city want a denial of the three items, considering that would be the end to the license. Commissioner Conklin further indicated that by approving the items there would at least be a continuation of the discussion at the local level.

Mr. Leal stated they have concerns about the underlying financial transactions of Pocket 3's Gaming, Inc. and Game Source. LLC. Mr. Leal also stated that the city council has confidence that Commerce Casino has the resources necessary to be successful. Mr. Leal requested the Commission extend the deadline from May 12, 2011 to whenever it takes to allow Commerce Casino to submit a state gambling

Commission Meeting Minutes of April 28, 2011

license. Mr. Leal commented that they also think Game Source, LLC should be licensed as suggested in the staff report.

Chairperson Shimazu stated that she agreed with staff's recommendation to have Game Source, LLC submit an application for licensure and asked whether the council was opposed to Mr. Altizer or that they want to give the license specifically to Commerce Casino.

Mr. Leal indicated that the concerns were both; Commerce Casino is a known entity in the community and the issues are grounded in familiarity and trust. Mr. Leal stated that the debt and promissory notes from Pocket 3's Gaming, Inc. to Game Source, LLC are issues of great concern.

Mr. Andy Schneiderman, General Counsel for Commerce Casino, indicated the City of Cudahy contacted them in March or April of 2010 seeking another licensee to operate the one license in Cudahy. The Commerce Casino expressed interest. Mr. Schneiderman further indicated that there were problems because the City of Cudahy was not responsive regarding some of the details of the transaction. Mr. Schneiderman stated that Commerce Casino wanted assurance from the city that they wanted Commerce Casino as their licensee. The Commerce Casino subsequently submitted an application to the city and it took until this week before the city took action. Mr. Schneiderman further indicated that now that the city would like to move forward, Commerce Casino has contacted Commission staff to discuss the options. Mr. Schneiderman stated that one option is for the Commission to extend the deadline with the justification that it would accommodate the City of Cudahy to be able to move forward with its desired licensee. Mr. Schneiderman also indicated a second option would be to grant a temporary license to the newly formed subsidiary of Commerce Casino, Cudahy Entertainment LLC, which could submit an application within the week.

Chairperson Shimazu stated that the Commission agreed on a stipulation to revoke the S&S Gaming, Inc. license and allowed them one year to sell the gambling business. They complied with the Order by entering into a purchase agreement and a licensee has come in and that is what is before the Commission. Chairperson Shimazu questioned how the Commission could ignore that and allow another entity to come in that has no nexus with the original licensee. This is not a matter of choosing between Commerce Casino and Brian Altizer, this is the agreement that S&S entered into and these are the agreements and applications before the Commission.

Commissioner Conklin asked Mr. Altizer how much money he has invested so far in getting the license secured and was the withdrawal of his application based on the action of a city employee.

Mr. Brian Altizer indicated that he has personally invested \$20,000 and he has promissory notes with Game Source, LLC. Mr. Altizer clarified that he previously withdrew his application with the city based on the actions of the city manager and city attorney whom have since been let go, and he has reinstated his application.

Commission Meeting Minutes of April 28, 2011

Commissioner Conklin indicated that from the perspective of the State, things are proceeding as stipulated in the Order. Commissioner Conklin further indicated that it is not appropriate for the Commission to deny Mr. Altizer and to change the dates of the previously approved Order. Commissioner Conklin stated that this can all be resolved at the local level and to include Mr. Altizer in the process, to give him a chance to recoup some costs, would be appropriate. Mr. Altizer has gone through the process the State recommended.

Chairperson Shimazu clarified that the Commission is not requiring the City of Cudahy to issue Mr. Altizer a license.

Commissioner Conklin indicated that by granting a State license to Mr. Altizer, he would remain in consideration.

Mr. Josue Barrios, Mayor of the City of Cudahy, requested the Commission extend the deadline. Mr. Barrios indicated that the past city administration dropped the ball and that is why they would like an extension to pursue the relationship with the Commerce Casino.

Commissioner Hammond indicated that after reading the reports, she was not swayed at all about the direction the City of Cudahy was taking in this matter. Commissioner Hammond did not find anything persuasive enough for a State Commission to agree with, when a process has been in place for over a year.

Commissioner Conklin reiterated that the Commission's actions will not preclude the City of Cudahy from selecting Commerce Casino; however, the City of Cudahy will have to include Mr. Altizer in the process.

Chairperson Shimazu asked if there was a representative from Game Source, LLC to speak regarding the conditions placed on the license.

Ms. Phyllis Truby representing Game Source, LLC indicated that Game Source, LLC respects staff's recommendation and has no objection to it. Ms. Truby further indicated that it is Mr. Altizer's intention is to take Game Source, LLC out of the picture as soon as possible and he is already working on it.

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Hammond voting yes, the Commission approved the staff recommendation for items 4A, 4B and 4C.

Item 12 was moved to be heard after Consent Calendar and Public Comment to allow time for discussion.

CONSENT CALENDAR ITEMS:

13. Requests for Approval of Additional Permanent Authorized Tables (Pursuant to California Code of Regulations, Title 4, section 12359):
 - A. Livermore Casino
 - B. Village Club
14. Application for Approval of Interim License for Remote Caller Bingo - Fiduciary/Site Manger/Caller (Pursuant to Penal Code section 326.3 and Title 4, CCR section 12498).
Theodore D. Hickman – Site Manager
15. Applications for Approval of Initial Work Permit (Pursuant to Business and Professions Code section 19912):
 - A. Kelly's: Delores Reynolds
 - B. Outlaws Card Parlour: Suzy Shewell
16. Applications for Approval of Renewal Work Permit (Pursuant to Business and Professions Code section 19912):
 - A. Empire Sportsmen's Association: Anderson Dy
 - B. Lake Bowl Cardroom: Jacqueline Bolyan Sokhamara Men
 - C. The 101 Casino: Michelle Chavez
17. Applications for Approval of Renewal of Third Party Providers of Proposition Player Services/Gambling Business Supervisor/Player Licenses (Pursuant to California CCR, Title 4, sections 12218.8 and 12238).
Gaming Management, LLC: Player: Sandra Pak
18. Applications for Approval of Initial Tribal-State Compact Key Employee Findings of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):
 - A. Augustine Casino - Augustine Band of Cahuilla Mission Indians:
Adrian Rodriguez
 - B. Bear River Casino - Bear River Band of the Rohnerville Rancheria:
Kristen Chandler
 - C. Casino Pauma – Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation:
James Smart
 - D. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Vanessa Romero
 - E. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwuk Indians:
John Spencer
 - F. Lucky 7 Casino – Smith River Reservation:
Nichole Ard
 - G. Pala Casino Spa Resort – Pala Band of Mission Indians:
Francisco Aguayo Scott James
 - H. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:

Commission Meeting Minutes of April 28, 2011

Dionisia Padilla

- I. Red Hawk Casino – Shingle Springs Band of Miwok Indians:
Stacey Saechao Chansamone Vongsouphanh
- J. Soboba Casino - Soboba Band of Luiseno Indians:
Jeffrey Campbell
- K. Spotlight 29 Casino - Twenty-Nine Palms Band of Mission Indians:
Glenn Dooley
- L. Sycuan Casino & Resort- Sycuan Band of the Kumeyaay Nation:
Rafi Butres Terri Wild
- M. Table Mountain Casino - Table Mountain Rancheria:
Gilbert Johnson Kerry O'Brien
- N. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:
Faye Estrada Eleanor Phelps
- O. Thunder Valley Casino Resort - United Auburn Indian Community of the Auburn Rancheria:
Jason Camp

19. Applications for Approval of Renewal Tribal-State Compact Key Employee Findings of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

- A. Agua Caliente Casino Resort Spa – Agua Caliente Band of Cahuilla Indians:
Keely Alexander Joydelyne Balanay Geraldine Baltazar
Carolyn Cara Maria Cobos Randy Cohen
Michael Cook Kathleen Finnegan Clayton Freeman
Scott Gibson Ernesto Hernandez Silvia Hernandez
Ralph Howland Melodie Hunter Sherree McEachran
Iris Moyer Novelynn Ramos Jerry Sandau
Gilbert Taira-Diaz Lorena Tovar
- B. Augustine Casino - Augustine Band of Cahuilla Mission Indians:
Yesenia Aguilera
- C. Barona Resort and Casino - Barona Band of Mission Indians:
Todd Crum Dawn Dillon Daniel Hampton
Kathleen Heidarshahi Mayra Hernandez Jimmy Lieu
Rowena Nelson Dung Phan Charles Shenefield, Jr.
Charles Yzaguirre
- D. Bear River Casino - Bear River Band of the Rohnerville Rancheria:
George Claus, Jr. Jesse Orr Marcela Sada-Wedll
- E. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:
Duane Fillmore Genaro Martinez Aaron Moss
Tina Pauly Daniel Picard
- F. Casino Pauma – Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation:
Lisa Cartwright Laura Gomez
- G. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:
Enrike Batista Steven Bruton James Lisenbery
Sally Sary Anna Shurrum

Commission Meeting Minutes of April 28, 2011

- H. Chumash Casino – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:
Sherry Ashbrook Sergio Castillo Letitia flores
Matthew Giuli Christopher Jose Brandon Perkins
Moises Ramones Joseph Segovia Len Steckler
- I. Colusa Casino and Bingo – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:
Manuel Miranda
- J. Diamond Mountain Casino and Hotel – Susanville Indian Reservation:
David Sweeney
- K. Eagle Mountain Casino – Tule River Indian Tribe of the Tule River Reservation:
Tou Cha Charles Evarts Kimberly Ordiway
Thomas Perez
- L. Elk Valley Casino – Elk Valley Rancheria:
Mandie Buckskin Johnnie Rodriguez
- M. Fantasy Springs Resort Casino – Cabazon Band of Mission Indians:
Ismael Felix Steven Planchon
- N. Lucky 7 Casino – Smith River Reservation:
Carl James
- O. Mono Wind Casino – Big Sandy Rancheria Band of Western Mono Indians:
John Robertson
- P. Paiute Palace Casino – Paiute-Shoshone Indians of the Bishop Community of the Bishop Colony:
Rodger Bosch Robert Shoshone
- Q. Pala Casino Spa Resort – Pala Band of Mission Indians:
Donald Buchholz John Clausen Sandra Dunn
Michael Heinzmann Vivian Imai Kevin Thompson
Soang Unn
- R. Red Earth Casino – Torres-Martinez Band of Cahuilla Mission Indians:
Sharon France Nicola Joukovsky Cynthia Klein
- S. Robinson Rancheria Resort & Casino – Robinson Rancheria of Pomo Indians:
Urbano Rubalcava, Jr.
- T. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:
Jose Acosta John Armoush Georgia Cagle
Don Chen Bianca Duran Mistyne Hall
Thomas Hedrick Meltem Ladd Adrian Nicholas
Terry Raymer Manuel Rodriguez LeAna Sabala
Douglas Strickland Anthony Truong Lynly Tuendemann
- U. Soboba Casino - Soboba Band of Luiseno Indians:
April Cornwall David Edwards Mindy Gates
Inki Kim Kristin Mallonee Kali McCracken
Robert Trostle
- V. Spotlight 29 Casino - Twenty-Nine Palms Band of Mission Indians:
Modesta Garcia Bert Guidroz Lazarus Smith
Tomas Zavala
- W. Tachi Palace Hotel & Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:

Commission Meeting Minutes of April 28, 2011

- Leon Huntsman Lyn Shandor
- X. Thunder Valley Casino Resort - United Auburn Indian Community of the
Auburn Rancheria:
Tiffany Crocker Leslie Kelly Daniel Martz
Felipe Masangya Savoeun Miller Julie Reid
Oukuen Saechao Roy Talangbayan Hoa Vu
Vue Yang
- Y. Twin Pine Casino & Hotel – Middletown Rancheria Band of Pomo Indians:
Ricardo Hurtado Kimberly Kallerman
- Z. Valley View Casino & Hotel – San Pasqual Band of Diegueno Mission Indians:
Michael Tansley
- AA. Win-River Casino – Redding Rancheria:
Jeffrey Fish Brandon Hayward Randall Roberts

Deputy Director Tina Littleton indicated that staff recommended the Commission approve consent calendar items 13 through 20.

Commissioner Conklin requested item 20 be removed from the Consent Calendar. Upon concurrence of the Commissioners item 20 was removed from the Consent Calendar.

Ms. Tina Littleton revised the staff recommendation for the Commission to approve consent calendar items 13 through 19.

Norm Pierce, Bureau of Gambling Control wanted to clarify that by approving the Consent Calendar, it is the Commission's intent to approve item 18B and 18O including the conditions on 18B and the recommendation of denial on 18O.

Chairperson Shimazu responded affirmatively.

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin and Hammond voting yes, the Commission approved the revised staff recommendation.

20. Revenue Sharing Trust Fund Final Report for Distribution to Eligible Recipient Indian Tribes for Quarter Ending March 31, 2011 – Quarterly License Revenue Received and Shortfall

Compliance Manager, Charles Wood indicated that staff recommended the Commission approve the distribution of the funds to the eligible tribes as listed in Exhibit 1. Staff also recommends withholding distribution to four tribes; the Alturas Indian Rancheria, California Valley Miwok Tribe, Death Valley Timba-Sha Shoshone Band of California and Elem Indian Colony of Pomo Indians of the Sulphur Bank Rancheria.

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and

Commission Meeting Minutes of April 28, 2011

Commissioners Conklin and Hammond voting yes, the Commission approved the staff recommendation.

Closed Session:

Chairperson Shimazu recessed the Commissioners to closed session at 11:10 a.m. to discuss the following:

Stipulated Settlement, Decision and Order:

In the Matter of the Statement of Issues against Kevin Freels and New Gaming Systems, Inc. (OAH Case No. 2009090804, BGC Case No. DGC015001).

Reconvened to Open Session:

Chairperson Shimazu reconvened the Commissioners at 11:30 a.m. Chairperson Shimazu indicated in the Matter of the Statement of Issues against Kevin Freels and New Gaming System, Inc. upon deliberation of the Commissioners, the Commissioners voted 3 to 0 to approve the Stipulated Settlement presented before the Commission.

PUBLIC COMMENT

Reverend James Butler, representing the California Coalition Against Gambling Expansion commented on concerns regarding authority that will be given to the Commission regarding internet gambling in California and requested the Commission establish a fact finding or hearing to consider how the regulating authority might be addressed. Reverend Butler also commented on the Remote Caller Bingo program and a bill that would shift authority from the State to the local entity in terms of providing oversight. Reverend Butler's concern is that there will not be clear standards or criteria to monitor the program that will possibly become statewide.

Chairperson Shimazu recessed the meeting for a lunch break at 11:35 a.m. until 1:00 p.m.

Continued Open Session:

12. Consideration of Proposed Amendment to Modified Emergency Order and/or Stipulated Settlement, Decision and Order (Pursuant to Business and Professions Code sections 19824, 19870, 19871 & 19931(c); and, CCR Title 4, section 12050)):
 - A. Artichoke Joe's Casino: Artichoke Joe's, a California Corporation
 - B. Oaks Card Club: Oaks Card Club, Limited Partnership

Mr. William Williams, Deputy Attorney General delivered an opening presentation regarding the argument for the stipulated settlement.

Mr. Alan Titus representing Artichoke Joe's gave an opening presentation including a brief history of Artichoke Joe's and steps they are making to prevent loan sharking and the desire to have the Commission approve the stipulated settlement.

Mr. Dennis Sammut addressed the Commission indicating he regretted the episode and that he had no tolerance for illegal activity and assured the Commissioners that it would never happen again.

Commission Meeting Minutes of April 28, 2011

Mr. David Fried representing the Oaks Card Club presented a brief history of the Oaks Card Club and its record of not tolerating illegal activity. Mr. Fried expressed that the club has been cooperative with all agencies and the Tibbetts family earnestly wants to see that this never happens again. Mr. Fried reviewed some of the steps they have taken to ensure illegal activity does not happen again and argued that this settlement best served the public interest.

Mr. John Tibbetts owner of the Oaks Card Club apologized to the Commission and indicated he would do everything in his power to cooperate with the various agencies and assured the Commission this will never happen again.

Commissioner Conklin stated that considering what the Commission is being asked to approve and the little known information the Commission was allowed to consider; Commissioner Conklin requested they review item by item in each of the proposed settlements and asked that their questions be answered.

Much discussion ensued over the various items in the settlement with input from the following people:

- William Williams, Deputy Attorney General
- David Fried, Attorney for Oaks Card Club
- James Parrinello, Attorney for Artichoke Joe's
- Alan Titus, Attorney for Artichoke Joe's
- Bill Zender, Consultant for Artichoke Joe's
- Martin Horan, Acting Bureau Chief, Bureau of Gambling Control
- Joe Dhillon, Chief Counsel, California Gambling Control Commission

Closed Session:

Chairperson Shimazu recessed the Commissioners to closed session at 3:20 p.m. to discuss the following:

Deliberation on Decision (Government Code section 11126(c)(3)):

- A. Stipulated Settlement, Decision and Order:
In the Matter of the Statement of Issues against Kevin Freels and New Gaming Systems, Inc. (OAH Case No. 2009090804, BGC Case No. DGC015001)
- B. Stipulated Settlement, Decision and Order:
In the Matter of the Accusation against Artichoke Joe's, a California Corporation
- C. Stipulated Settlement, Decision and Order:
In the Matter of the Accusation against Oaks Card Club

Reconvene to Open Session:

Chairperson Shimazu reconvened the Commissioners to open session at 3:55 p.m. Chairperson Shimazu indicated that there were still some issues the Commission had concerns about and therefore gave direction to staff to draft some additional language. Chairperson Shimazu further indicated that this would be scheduled for a hearing on May 9, 2011.

ADJOURNMENT

Chairperson Shimazu adjourned the meeting at 4:30 p.m.